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EXTRAORDINARY

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PART II—Section 3—Sub-section (i)

प्राधिकार से प्रकाशित

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इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह प्रलग्न सकलन के रूप में रखा जा सके।

Separate paging is given to this Part in order that it may be filed
as a separate compilation.

MINISTRY OF FINANCE

(Department of Economic Affairs)

NOTIFICATIONS

New Delhi, the 28th February 1970

G.S.R. 318.—In exercise of the powers conferred by section 12 of the Government Savings Certificates Act, 1959 (46 of 1959), the Central Government hereby makes the following rules further to amend the Post Office Savings Certificates Rules, 1960, namely:—

1. (1) These rules may be called the Post Office Savings Certificates (Amendment) Rules, 1970.

(2) They shall come into force on the 16th March, 1970.

2. In the Post Office Savings Certificates Rules, 1960 (hereinafter referred to as the said rules), in rule 1, after item (d) of clause (iii), the following items shall be inserted, namely:—

“(e) 7-Year National Savings Certificates (II Issue)

(f) 7-Year National Savings Certificates (III Issue).”

3. In rule 2 of the said rules, for clause (iii), the following clause shall be substituted, namely:—

“(iii) ‘Certificate’ means—

- (a) a 10-Year National Plan Certificate,
- (b) a National Savings Certificate,
- (c) a 12-Year National Plan Savings Certificate,
- (d) a 12-Year National Defence Certificate,
- (e) a 7-Year National Savings Certificate (II Issue),
- (f) a 7-Year National Savings Certificate (III Issue)”.

4. For rule 3 of the said rules, the following rule shall be substituted, namely:—

“3. Denominations in which certificates shall be issued—

- (i) National Savings Certificate (II Issue) shall be issued in denominations of Rs. 10, Rs. 100, Rs. 1,000 and Rs. 5,000.
- (ii) National Savings Certificate (III Issue) shall be issued in denominations of Rs. 100, Rs. 1,000 and Rs. 5,000.”.

5. In rule 5 of the said rules, for the figures “35,000” and “70,000” occurring against items (i) and (ii) respectively, the figures “25,000” and “50,000” shall respectively be substituted.

6. In clause (i) of rule 7 of the said rules, after the words “Post Office Cash Certificates”, the following shall be inserted namely:—

“ $3\frac{1}{2}$ per cent 10-Year Treasury Savings Deposit Certificates, 4 per cent 10-Year Treasury Savings Deposit Certificates and $4\frac{1}{2}$ per cent Defence Deposit Certificates.”

7. In rule 9 of the said rules—

(a) for item (vi), the following item shall be substituted, namely:—

“(vi) surrender of a matured certificate duly discharged as follows: “Received payment through purchase of fresh certificates *vide* application attached;”

(b) item (vii) shall be omitted.

8. In rule 10 of the said rules, sub-rule (3) shall be omitted.

9. In rule 11 of the said rules, after sub-rule (3), the following sub-rules shall be inserted, namely:—

“(3A) Notwithstanding anything to the contrary contained in sub-rules (2) and (3), a gift coupon shall be exchanged only for a National Savings Certificate (II Issue).

(3B) If a gift coupon is for Rs. 5/-, it will be exchangeable for Rs. 5/- in cash”.

10. In rule 16 of the said rules, in clause (a) of sub-rule (2), for the words and figures “the period of non-encashability laid down in rule 22”, the words “one year from the date of issue of the certificate” shall be substituted.

11. In sub-rule (1) of rule 19 of the said rules, for the words “at any time, before or after the period of its non-encashability” the words “after the expiry of one year from the date of issue of a certificate,” shall be substituted.

12. For rule 22 of the said rules, the following rule shall be substituted, namely:—

“22. When encashable.—

- (1) Except as provided in sub-rule (3), a 12-Year National Defence Certificate of any denomination may be encashed at any time after the expiry of the period of one year from the date of issue.
- (2) Except as provided in sub-rule (3), a 7-Year National Savings Certificate (II Issue), or a 7-Year National Savings Certificate (III Issue), of any denomination, may be encashed at any time after the expiry of three years from the date of issue.

(3) A certificate referred to in sub-rule (1) or sub-rule (2), as the case may be, may be encashed before its period of non-encashability under any of the following circumstances, namely:

- (a) on the death of the holder or both holders in the case of a joint holding;
- (b) on forfeiture by a pledgee being a gazetted Government officer, where the pledge is in conformity with the provisions of these rules;
- (c) when the holding is in excess of the limits prescribed under these rules or the old rules;
- (d) when a certificate has been issued in contravention of these rules, and
- (e) when ordered by a Court of Law."

13. Rule 29 of the said rules shall be omitted.

14. Rule 31 of the said rules shall be renumbered as sub-rule (1) of that rule, and after sub-rule (1) as so renumbered, the following sub-rules shall be inserted, namely:—

"(2) The amounts (including interest) payable on discharge of 7-Year National Savings Certificates (II Issue) of different denominations shall be as in the following Table, namely:—

TABLE

Surrender value of 7-Year National Savings Certificates (II Issue)

Face value	Rs. 10	Rs. 100	Rs. 1,000	Rs. 5,000
Surrender value after expiry of 3 years but before expiry of 4 years from date of issue	11·40	114·00	1,140·00	5,700·00
Surrender value after expiry of 4 years but before expiry of 5 years from date of issue	11·40	114·00	1,140·00	5,700·00
Surrender value after expiry of 5 years but before expiry of 6 years from date of issue	12·50	126·00	1,260·00	6,300·00
Surrender value after expiry of 6 years but before expiry of 7 years from date of issue	12·60	126·00	1,260·00	6,300·00
After 7 complete years	14·10	141·00	1,410·00	7,050·00

- (3) The surrender values, after adjustment of discount, payable on discharge of 7-year National Savings Certificates (III Issue) of different denominations shall be as in the following Table, namely:—

[TABLE]

Surrender value of 7-year National Savings Certificates (III Issue)

Face value	Rs. 100	Rs. 1,000	Rs. 5,000
Surrender value after expiry of 3 years but before expiry of 4 years from date of issue	98.50	985.00	4,925.00
Surrender value after expiry of 4 years but before expiry of 5 years from date of issue	98.50	985.00	4,925.00
Surrender value after expiry of 5 years but before expiry of 6 years from date of issue	98.75	987.50	4,937.50
Surrender value after expiry of 6 years but before expiry of 7 years from date of issue	98.75	987.50	4,937.50
After 7 complete years	100.00	1,000.00	5,000.00

- (4) The surrender values payable on discharge of 7-Year National Savings Certificates (II Issue) of different denominations encashed under any of the circumstances mentioned in sub-rule (3) of rule 22, shall be as in the following Table namely:—

TABLE

Surrender value of 7-Year National Savings Certificates (II Issue) under rule 22(3).

Face value	Rs. 10	Rs. 100	Rs. 1,000	Rs. 5,000
Surrender value after expiry of 1 year but before expiry of 2 years from date of issue	10.40	104.00	1,040.00	5,200.00
Surrender value after expiry of 2 years but before expiry of 3 years from date of issue	10.90	109.00	1,090.00	5,450.00

- (5) The surrender values, after adjustment of discount, payable on discharge of 7-Year National Savings Certificates (III Issue) of different denominations encashed under any of the circumstances mentioned in sub-rule (3) of rule 22, shall be as in the following Table, namely:—

TABLE

Surrender value of 7-year National Savings Certificates (III Issue) under rule 22(3)

Face value	Rs. 100	Rs. 1,000	Rs. 5,000
Surrender value after expiry of 1 year but before expiry of 2 years from date of issue	99.00	990.00	4,950.00
Surrender value after expiry of 2 years but before expiry of 3 years from date of issue	98.75	987.50	4,937.50

15. After rule 31-B of the said rules, the following rule shall be inserted, namely:—

"31 C Interest.—Interest on 7-Year National Savings Certificates (III Issue) shall be payable annually at 5 per cent."

16. In sub-rule (1) of rule 32 of the said rules, clause (iv) shall be omitted.

17. For rules 35 and 36 of the said rules, the following rules shall be substituted, namely:—

"35. Discontinuance of 12-Year National Defence Certificates.—There shall be no issue of the 12-Year National Defence Certificates after the close of business on the 14th March, 1970.

36. Special provisions.—Where the face value of the certificates including the 3½ per cent Treasury Savings Deposit Certificates, 4 per cent Treasury Savings Deposit Certificates and the 4½ per cent Defence Deposit Certi-

ificates, but excluding the 10-Year National Plan Certificates, held by an adult or two adults jointly, prior to the 16th March, 1970, exceeds the limits of Rs. 25,000 and Rs. 50,000 respectively prescribed under rule 5, but does not exceed the limits permissible prior to the said date, such excess shall not be deemed to be an excess holding under rule 13."

18. In Form A appended to the said rules,

(i) for the figures and words "12-Year National Defence Certificates" in the two places where they occur, the following shall be substituted, namely:—

"7-Year National Savings Certificates (II Issue)/7-Year National Savings Certificates (III Issue). (Strike out what is not applicable)".

(ii) in sub-paragraph (2), for the portion beginning with "I/We hereby agree to abide" and ending with "National Savings Certificates and Cash Certificates", the following shall be substituted, namely:—

"I/We hereby agree to abide by the Post Office Savings Certificates Rules, 1960, and further declare that the National Savings Certificates (II Issue)/National Savings Certificates (III Issue) now proposed to be purchased together with the National Defence Certificates, National Plan Savings Certificates, National Savings Certificates, and Cash Certificates, $3\frac{1}{2}$ per cent Treasury Savings Deposit Certificates, 4 per cent Treasury Savings Deposit Certificates and $4\frac{1}{2}$ per cent Defence Deposit Certificates";

(iii) for the words "Receipt for National Defence Certificates", the following shall be substituted, namely:—

"Receipt for National Savings Certificates (II Issue) National Savings Certificates (III Issue) (Strike out what is not applicable)";

(iv) for the words "Total number of National Defence Certificates issued", the following shall be substituted, namely:—

"Total number of National Savings Certificates (II Issue)/National Savings Certificates (III Issue)."

[No. F. 3(4)-N.S. 70.]

G.S.R. 319.—In exercise of the powers conferred by section 12 of the Government Savings Certificates Act, 1959 (46 of 1959), the Central Government hereby makes the following rules, namely:—

1. **Short title, commencement and application.**—(1) These rules may be called the National Savings Certificates (IV Issue) Rules, 1970.

(2) They shall come into force on the 16th March, 1970.

(3) They shall apply to the National Savings Certificates (IV Issue).

2. **Definitions.**—In these rules, unless the context otherwise requires—

(i) "Act" means the Government Savings Certificates Act, 1959 (46 of 1959);

(ii) "certificate" means National Savings Certificate (IV Issue);

(iii) "Form" means a Form appended to these rules;

(iv) "Government company" means a company as defined in section 617 of the Companies Act, 1956 (1 of 1956);

(v) "identity slip" means an identity slip issued to a holder of a certificate under rule 11;

(vi) "old certificate" means a certificate issued under the Post Office Savings Certificates Rules, 1960 or the National Savings Certificates (First Issue) Rules, 1965.

(vii) "post office" means any post office in India doing Savings Bank work.

3. **Denominations in which Certificates shall be issued.**—National Savings Certificates (IV Issue) shall be issued in denominations of Rs. 100, Rs. 1,000 and Rs. 5,000.

4. Types of Certificates and Issue Thereof.—(1) The certificates shall be of the following types, namely:—

- (a) Single Holder Type Certificates;
- (b) Joint 'A' Type Certificates; and
- (c) Joint 'B' Type Certificates.

(2) (a) Single Holder Type Certificates may be issued to an adult for himself or on behalf of a minor or to a minor.

(b) Joint 'A' Type Certificates may be issued to two adults payable to both holders jointly or to the survivor;

(c) Joint 'B' Type Certificates may be issued jointly to two adults payable to either of the holders or the survivor.

5. Purchase of Certificates.—Certificates may be purchased for any amount.

6. Procedure for Purchase of Certificates.—Any person desiring to purchase a certificate shall present on or after the 16th March, 1970 an application in Form I (obtainable free at all post offices) either in person or through his messenger or an authorised agent of the Small Savings Scheme.

7. Legal Tender.—Payment for the purchase of a certificate may be made to a post office in any of the following modes, namely:—

- (i) cash;
- (ii) a cheque, pay order or demand draft;
- (iii) duly signed withdrawal form together with the pass book for withdrawal from the post office savings bank account;
- (iv) surrender of a matured old certificate duly discharged as follows "Received payment through issue of fresh certificates-*vide* application attached".

8. Issue of Certificates.—(1) On payment being made under rule 7, a certificate shall normally be issued immediately and except as otherwise provided in these rules, the date of such certificate shall be the date of its issue:

Provided that when payment is made by means of a cheque, pay order or demand draft, a certificate shall not be issued before the proceeds of the cheque, pay order, or demand draft are realised.

(2) If for any reason a certificate cannot be issued immediately, a provisional receipt shall be given to the purchaser which may later be exchanged for a certificate and in such a case the date of certificate shall be the date of the provisional receipt.

9. Certificate in lieu of Proceeds of Old Certificate.—A holder of an old certificate entitled to encash that certificate may make an application in Form 1 for the grant of a certificate under these rules: on receipt of such an application, there shall be issued to the applicant a certificate under these rules, the date of issue being the date on which the old certificate matured.

10. Irregular Holdings.—(1) Any certificate purchased or acquired in contravention of these rules shall be encashed by the holder as soon as the fact of the holding being in contravention of these rules, is discovered and no interest shall be paid on any holding in contravention of these rules.

(2) If any interest has been paid on any holding which is in contravention of these rules, it shall be forthwith refunded to the Government failing which the Government shall be entitled to recover the amount involved from any money payable by the Government to the investor or as an arrear of land revenue.

11. Identity slip.—(1) If a request for issue of an identity slip is made at any time by an individual adult holder of a certificate including a holder on behalf of a minor or by joint holders to the Post Master of the post office where the certificate stands registered, an identity slip shall be issued to such holder or holders on his or their signing the identity slip.

(2) The identity slip shall be surrendered at the time of the final discharge of the certificate or, in case of its loss, a declaration of such loss shall be furnished to the post office in the form laid down by the Director General Posts and Telegraphs.

12. Transfer from one Post Office to another.—(1) A certificate may be transferred from a Post Office at which it stands registered, to any other Post Office on the holder or holders making an application in the form laid down by the Director General, Posts and Telegraphs, at either of the two Post Offices.

(2) Every such application shall be signed by the holder or holders thereof:

Provided that in the case of a Joint Type Certificate the application may be signed by one of the holders if the other is dead.

13. Transfer of Certificate from one Person to another.—(1) A certificate may be transferred with the previous consent in writing of an officer of the Post Office as specified below (hereinafter referred to in these rules as authorised Postmaster).

Cases in which transfer can be sanctioned	Designation of the officer competent to grant permission for transfer
<p>(a) (i) From the name of a deceased holder to his heir.</p> <p>(ii) From a holder to a court of law, or to any other person under the orders of a court of law.</p> <p>(iii) From a single holder to the names of two joint holders of whom the transfer or shall be one.</p> <p>(iv) From joint holders to the name of one of the joint holders.</p> <p>b) All other cases</p>	<p>Head Postmaster or Sub-Post master of the Post Office where the certificate stands registered.</p> <p>Head Postmaster.</p>

(2) An authorised Postmaster shall give his consent to the transfer of a certificate only if the following conditions are satisfied, namely:—

(a) The transfer of the certificate is effected after the expiry of one year from the date of issue or where the transfer is effected before that period, the transfer falls under any of the following categories, namely:—

(i) transfer to a near relative out of natural love and affection;

Explanation.—‘Near relative’ means a husband, wife, lineal ascendant or descendent, brother, or sister.

(ii) transfer in the name of the heir of the deceased holder;

(iii) transfer from a holder to a court of law or to any other person under the orders of a court of law;

(iv) transfer in accordance with rule 15, and

(v) transfer in the name of the survivor in the event of the death of one of the joint holders.

(b) An application for the transfer is made in the form laid down by the Director General, Posts and Telegraphs. Every such application shall be signed by the holder or holders thereof:

Provided that in the case of a Joint Type Certificate the application may be signed by one of the holders if the other is dead.

(3) Without prejudice to the provisions of sub-rule (2), an authorised Postmaster shall give his consent to the transfer of a certificate held on behalf of a minor only, if at the time of the proposed transfer, a parent or the guardian referred to in sub-clause (i) or as the case may be, sub-clause (ii) of clause (b) of section 5 of the Act, certifies, in writing, that the minor is alive and that such transfer is in his interest.

(4) In every case of transfer, other than a transfer under rule 15, the original certificate shall be duly discharged and the new certificate bearing the same date as that of the original certificate surrendered shall be issued in the name of the transferee.

14. Transfer from Single Holding to Joint Holding and vice versa.—Subject to the provisions contained in sub-rule (1) of rule 13, on an application to this effect being made:—

(a) a certificate in the name of a single holder may be transferred to the joint names of the holder and any other person;

(b) a certificate in the names of joint holders may be transferred to the name of one of the joint holders.

15. Pledging of Certificate.—(1) On an application being made in the form laid down by the Director General, Posts and Telegraphs by the transferor and the transferee, Postmaster of the office of registration may at any time, permit the transfer of any certificate as security to—

(a) the President of India or Governor of a State in his official capacity;

(b) the Reserve Bank of India or a scheduled bank, or a Co-operative Society including a co-operative bank;

(c) a corporation or a Government company; and

(d) a local authority:

Provided that the transfer of a certificate purchased on behalf of a minor shall not be permitted under this sub-rule unless the purchaser of the certificate certifies that the minor is alive and the transfer is for the benefit of the minor.

(2) When any certificate is transferred as security under sub-rule (1), the Postmaster of the office of registration shall make the following endorsement on the certificate, namely:—

“Transferred as security to.....”

(3) Except as otherwise provided in these rules, the transferee of a certificate under this rule shall, until it is re-transferred under sub-rule (4), be deemed to be the holder of the certificate.

(4) A certificate transferred under sub-rule (2) may, on the written authority of the pledgee, be re-transferred with the previous sanction in writing of the authorised Postmaster and when any such re-transfer is made, the Postmaster of the office of registration shall make the following endorsement on the certificate, namely:—

“Re-transferred to.....”

NOTE 1.—A gazetted officer of the Government accepting the certificates as security under sub-rule (1) or releasing the pledge under sub-rule (4) on behalf of the President or the Governor of a State shall certify that he is duly authorised under article 299 of the Constitution vide Notification No..... dated..... by the Government of India in the Ministry of..... /State Government..... to execute such instruments or deeds on behalf of the President of India/Governor of..... State”.

NOTE 2.—An officer of the Reserve Bank of India or a scheduled bank or a cooperative society, including a cooperative bank, a corporation or a Government company or a local authority, as the case may be, accepting the certificate as security under sub-rule (1) or releasing the pledge under sub-rule (4) on behalf of the respective institution, shall certify under his dated signature and seal of office that he is duly authorised under the articles of the said institution, to execute such instruments or deeds on its behalf.

(5) Where as a result of several endorsements made under sub-rules (2) and (4) on a certificate, no space is left for making further endorsements of a like character on that certificate, a fresh certificate may be issued by the Postmaster of the office of registration in lieu of such certificate.

(6) A fresh certificate issued under sub-rule (5) shall be treated as equivalent to the certificate in lieu of which it has been issued for all the purposes of these rules.

16. **Replacement of lost or destroyed certificate.**—(1) If a certificate is lost, stolen, destroyed, mutilated or defaced, the person or persons entitled thereto may apply for the issue of a duplicate certificate to the post office, where the certificate is registered or at any other post office in which case the application will be forwarded to the post office of registration.

(2) Every such application shall be accompanied by:—

(a) a statement showing particulars, such as, number, amount, and date of the certificate and the circumstances attending such loss, theft, destruction, mutilation or defacement;

(b) an identity slip, if any.

(3) If the officer in charge of the post office of registration is satisfied of the loss, theft, destruction, mutilation or defacement of the certificate, he shall issue a duplicate certificate in the form laid down by the Director General, Posts and Telegraphs on the applicant's furnishing an indemnity bond in the form laid down by the Director General, Posts and Telegraphs with one or more approved sureties or with a bank's guarantee:

Provided that where the face value or the aggregate face value of the certificate or certificates lost, stolen, destroyed, mutilated or defaced is Rs. 500/- or less, a duplicate certificate or certificates may be issued on the applicant furnishing an indemnity bond without any such surety or guarantee:

Provided further that where such application is made with respect to a certificate mutilated or defaced, of whatever face value, a duplicate certificate may be issued without any such indemnity bond, surety or guarantee, if the certificate mutilated or defaced and the identity slip, if any, are surrendered and the certificate is capable of being identified as the one originally issued.

(4) A duplicate certificate issued under sub-rule (3) shall be treated as equivalent to the original certificate for all the purposes of these rules except that it shall not be encashable at a Post Office other than the Post Office at which such certificate is registered without previous verification.

17. **Nomination.**—(1) The holder of a Single Type Certificate referred to in clause (a) of sub-rule (2) of rule 4 may nominate any person who, in the event of his death, shall become entitled to the certificate and to the payment of the amount due thereon, by filling in necessary particulars in Form 1 at the time of purchasing the certificate. If such a holder does not fill the necessary particulars regarding nomination in Form 1 at the time of purchasing the certificate, he may at any time after the purchase of the certificate, but before the maturity thereof, make an application in Form 2 to the Postmaster of the office at which the certificate stands registered, nominating any person who in the event of his death shall become entitled to the certificate and to the payment of the amount due thereon:

Provided that in the case of a certificate of the denomination of Rs. 100, the holder shall not be entitled to nominate more than one person.

(2) No nomination shall be made in respect of a certificate applied for and held by or on behalf of a minor.

(3) A nomination made by the holder of a certificate under this rule may be cancelled or varied by submitting an application in Form 3 affixing postage stamps of the value specified in sub-rule (2) of rule 27 together with the certificate to the Postmaster of the post office at which the certificate stands registered.

NOTE—Separate applications shall be made in respect of certificates registered at different times.

(4) The nomination or the cancellation of a nomination or the variation of a nomination shall be effective from the date it is registered in the post office, which date shall be noted on the certificate.

18. **When encashable.**—(1) A National Savings Certificate (IV Issue) is encashable at par after the expiry of seven years from the date of its issue. At the option of the holder, a certificate may be encashed after the expiry of three

or five years from the date of its issue, in which event discounts at the rates set out below will be adjusted before making payment:—

If the certificate is encashed—

(i) after 3 years but before the expiry of 5 years.—Rs. 4 for every Rs. 100.

(ii) after 5 years but before the expiry of 7 years.—Rs. 3 for every Rs. 100.

(2) Notwithstanding the provisions of sub-rule (1) a certificate may be encashed after one year but before three years of its issue under the following circumstances, namely:—

(a) on the death of the holder or both the holders in the case of a joint holding;

(b) on forfeiture by a pledgee being a Gazetted Government Officer, when the pledge is in conformity with the provisions of these rules;

(c) when the certificate has been issued in contravention of these rules; and

(d) when ordered by a court of law.

(3) If a certificate is encashed under sub-rule (2), discount at the rates set out below will be adjusted before making payment—

If the certificate is encashed—

(i) after 1 year but before expiry of 2 years—Rs. 1.75 for every Rs. 100.

(ii) after 2 years but before expiry of 3 years—Rs. 3.00 for every Rs. 100.

19. **Interest.**—Interest at 7½ per cent per annum shall be payable at the end of each completed year, but no tax will be deducted at the time of the payment of the interest.

20. **Place of encashment.**—A certificate shall be encashable at the post office at which it stands registered:

Provided that a certificate may be encashed at any other post office if the officer-in-charge of that post office is satisfied on production of identity slip or on verification from the office of its registration that the person presenting the certificate for encashment is entitled thereto.

21. **Discharge of Certificates.**—(1) The person entitled to receive the amount due under a certificate shall, on its encashment, sign on the back thereof in token of having received the payment.

(2) In the case of a certificate purchased on behalf of a minor who has since attained majority, the certificate shall be signed by that person himself, but his signature shall be attested either by the person who purchased it on his behalf or by any other person who is known to the Postmaster.

(3) A certificate of discharge may be issued by the post office to any person encashing a certificate on payment of the fee specified in clause (iii) of sub-rule (1) of rule 27.

22. **Encashment of Minor's Certificate.**—(1) A person encashing a certificate on behalf of a minor shall furnish a certificate that the minor is alive and that the money is required on behalf of the minor.

(2) When the nominee is a minor, the person appointed under sub-section (3) of section 6 of the Act, while encashing the certificate, shall furnish a certificate that the minor is alive and that the money is required on behalf of the minor.

23. **Payment to Heirs.**—(1) For the purposes of sub-section (4) of section 7 of the Act, the authorities named below shall be competent to sanction claims upto the limit noted against each on the death of the holder of the certificate, without production of the probate of his will or letters of administration of his estate or succession certificate granted under the Indian Succession Act, 1925 (39 of 1925):—

(i) Non-gazetted Head Postmasters, and Sub-Postmasters in the selection grades. Upto Rs. 250.

(ii) Gazetted Head Postmasters, Superintendents of Post Offices and Gazetted Sub-Postmasters Upto Rs. 1,000.

- (iii) Presidency Postmasters and Senior Superintendents of Post-Offices.
..... Upto Rs. 2,000.
- (iv) Heads of Postal Circles or Assistant Post Masters General, Assistant Directors, Deputy Directors in the office of Head Postal Circle
..... Upto Rs. 5,000.

(2) A declaration shall be furnished by the claimant that to the best of his knowledge, there exist no other certificates in the name of the deceased other than those for which payment is sought and that if subsequently any more such certificates be found in excess of the value of Rs. 5,000 legal evidence of heirship as required by the post office will be produced.

24. Encashment of Certificate held by Army and Air Force Personnel.—Where on the death or desertion of any person holding a certificate and subject to the Army Act, 1950 (46 of 1950), or the Air Force Act, 1950 (45 of 1950), the Commanding Officer of the Corps, department, detachment or unit to which the deceased or deserter belonged, or the Committee of Adjustment as the case may be, sends under section 3 read with section 4 of the Army and Air Force (Disposal of Private Property) Act, 1950 (40 of 1950), a requisition to the officer-in-charge of the post office where the certificate stands registered, to pay to him or it, the amount due under the certificate, the officer of the post office shall be bound to comply with such requisition.

25. Rights of Nominees.—(1) In the event of the death of the holder of a certificate, in respect of which a nomination is in force, the nominee or nominees shall be entitled at any time before or after the maturity of the certificate to:

- (a) encash the certificate; or
- (b) sub-divide the certificate in appropriate denominations in favour of individual nominees or two adult nominees jointly.

(2) For the purposes of sub-rule (1), the surviving nominee or nominees shall make an application to the postmaster of the office of registration, supported by proof of death of the holder and of a deceased nominee, if any.

(3) If there are more nominees than one, all the nominees shall give a joint discharge of the certificate at the time of receiving payment or sub-division.

NOTE.—When there is a nomination in favour of a single nominee or two adult nominees the post office of registration may, on an application made in that behalf, issue a fresh certificate in the name of such nominee or nominees jointly as the case may be.

26. Conversion from one Denomination to Another.—(1) Certificates of lower denomination may be exchanged for a certificate or certificates of higher denomination of the same face value or a certificate of higher denomination may be exchanged for certificates of lower denomination of the same face value.

(2) The date of issue of the exchanged certificate shall be the same as that of the original certificate surrendered and not the date on which it is exchanged.

27. Fees.—(1) A fee of twenty-five paise in the case of a certificate of denomination of rupees one hundred and rupee one in any other case, shall be chargeable in respect of the following transactions, namely:—

- (i) transfer of a certificate from one person to another (other than a transfer under rule 14, or transfer from the name of a deceased holder to his heir or from a holder to a court of law or to any other person under the orders of a court of law, or transfer made under rule 15 or transfer referred to in sub-clause (v) of clause (a) of sub-rule (2) of rule 13;
- (ii) issue of a duplicate certificate under rule 16;
- (iii) issue of a certificate of discharge under rule 21;
- (iv) conversion from one denomination to another under rule 26;

Explanation.—(1) The fee to be charged for the issue of a certificate of discharge under clause (iii) shall be calculated separately on the aggregate face value of all certificates which were purchased on any one application and which are included for discharge in discharge certificate.

(2) The fee to be charged for a conversion under clause (iv) shall be based on the number and denomination of the certificates required to be issued on such conversion.

(2) A fee of fifty paise shall be chargeable on every application for registration of nomination, or of any variation in nomination or cancellation thereof:

Provided that no fee shall be charged on an application for registration of the first nomination.

23. Responsibility of the Post Office.—The post office shall not be responsible for any loss caused to a holder by any person obtaining possession of a certificate and fraudulently encashing it.

29. Rectification of Mistake.—(i) The Director General, Posts and Telegraphs or

(ii) the Postmaster General or Heads of Postal Divisions in their respective jurisdictions, may, either *suo motu* or upon an application by any person interested in any certificate issued in pursuance of these rules, rectify any clerical or arithmetical mistakes with respect to that certificate, provided that does not involve any financial loss to the Government or to any such person.

FORM I

(See rule 6)

Form of application for the purchase of National Savings Certificate (IV Issue).

(1) I/We hereby apply for the purchase of National Savings Certificates (IV Issue) detailed in the statement below and tender the amount shown in column 1 of the statement.

Form of tender]	Amount Rs.	Denomi- nation of certi- ficates applied; for	Number of certi- ficates required	*Type of Joint certi- ficates re- quired (‘A’ or ‘B’)	Total Face- value rupees.
	1	2	3	4	5
		Rs.			
(i) Cash					
(ii) Cheque, demand draft or an approved local Bank's Pay Order or Pay Slip		100			
(iii) Application for withdrawal from Post Office Savings Bank		1000			
(iv) Matured old certificates for re- investment		5000			
TOTAL (Face-Value)					

*To be filled in only in case of joint holding.

(a) **In my/our name(s) (In block capitals) with aliases, if any.

**For single or joint holder

(b) %On behalf of (Block capitals)

%For purchase on behalf of a minor

(Date of birth of the minor)

To be made encashable by the minor's:

(i) Father

(ii) Mother

(iii) Either Parent

(iv) Legal Guardian

(Cross out the alternative not required or all the items, if it is not desired to make an authorisation.)

(2) I/We hereby agree to abide by the National Savings Certificate (IV Issue) Rules, 1970.

(3) ***I/We do/do not require identity slip. [In case of an investment through an authorised agent or a messenger, specimen signature(s) and marks of identification should be given below item No. (5)] (CROSS OUT WHICHEVER IS NOT APPLICABLE).

***No identity slip shall be issued to a person other than the one authorised vide 1(b) above in case of purchase on behalf of a minor.

**_____

**Address:_____

Signature (thumb impression
if illiterate) of investor.

Date_____

**In case of an illiterate applicant
the father's name may be given.Signature (not thumb impression)
of the person(s) authorised
if any, per 1(b) above.
Date_____(4) The certificate(s) and the identity slip may be made over to my/our Agent
Shri/Smt..... Authority No..... or messenger who presents
this application.Signature (thumb impression
if illiterate) of investor.
Date_____NOTE.—The facility of nomination is available to the holder of a single holder
type certificate and may be applied for separately.

(5) Received the certificate detailed on the reverse and identity slip (CROSS OUT WHERE NOT APPLICABLE).

*Signature (thumb impression if illiterate) of purchaser or signature of his agent/messenger (in case of authorised agent his authority No. should be given).

Specimen signature

Marks of identification

TO BE COMPLETED BY THE POST OFFICE

Serial No. of certificates issued,	Issue price Rs.	Date of encashment and initials of post master	Every change affecting the certificate such as transfer, issue of certificate in exchange for damaged certificate surrendered, issue of a duplicate in case of lost certificate etc., should be noted hereunder and initialled by the Postmaster.

Total number of National Savings Certificates (IV Issue) issued _____

Date _____ 197

Signature of Postmaster.

FORM 2

[See rule 17(1)]

INDIAN POSTS AND TELEGRAPHS DEPARTMENT

Serial No. _____

Form of application for nomination under section 6 of the Government Savings Certificates Act, 1959.

(This Form will be filled in by the holder and submitted with the certificates to the Postmaster of the office where the certificates stand registered).

To

The Postmaster,

Under provisions of section 6(1) of the Government Savings Certificates Act, 1959, I, _____ the holder of Savings Certificate/s detailed on the reverse, hereby nominate the person/s mentioned below, who shall, on my death, become entitled to the Savings Certificate/s and to be paid the sum due thereon to the exclusion of all other persons. I hereby declare that I have not so far made any nomination in respect of these certificates. The certificates are enclosed,

Sl. No.	Name of the nominee	Full address}	Date of birth of nominee in case of minor
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As the nominee/s at serial.....above is/are minor/s, I appoint Shri/ Smt./Kumari..... (name and full address) as the person to recover the sum due thereon in the event of my death during the minority of the nominee/s.

S. Nos. of certificates	Denomination	Date of issue	Office of issue
-------------------------	--------------	---------------	-----------------

Yours faithfully,

Address :

(in case of illiterate holder, father's name should be given).

Signature (thumb impression if illiterate) of holder.

Witnesses :

Name	}	(1)
Address		
Name	}	(2)
Address		

N.B.—In the case of illiterate holders, the witnesses shall be persons whose signatures are known to the Post Office.

Order of the Postmaster accepting the nomination ;

Signature of Head/Sub-Postmaster.

Date stamp of Post Office

FORM 3

[See rule 17(3)]

INDIAN POSTS AND TELEGRAPHS DEPARTMENT

Serial No.

Form of application for cancellation or variation of nomination previously made in respect of Savings Certificates under section 6 of the Government Savings Certificates Act, 1959

(This form will be filled in by the holder and submitted with the certificate to the Postmaster of the office where the certificate stands registered).

To

The Postmaster,

Space for postage stamps

Under provisions of section 6(1) of the Government Savings Certificates Act, 1959, I, the holder of Savings Certificates detailed on the reverse, hereby cancel the nomination previously made by me in respect of these certificates and registered in your office under No. dated

*In place of the cancelled nomination, I hereby nominate the person/s mentioned below who shall, on my death, become entitled to the Savings Certificate/s and to be paid the sum due thereon to the exclusion of all other persons.

*To be filled up in case of variation only
--

As the nominee/s at serial above is/are minor/s, I appoint Shri/Smt. Kumari (name and full address) as the person to recover the sum due thereon in the event of my death during the minority of the nominee/s.

The certificates are enclosed.

Sl. Nos. of certificates	Denomination	Date of issue	Office of issue
--------------------------	--------------	---------------	-----------------

Address :

(In case of illiterate holder, father's name should be given).

Witnesses :

Name	}	(1)
Address		

Name	}	(2)
Address		

N.B.—In the case of illiterate holders, the witnesses shall be persons whose signatures are known to the Post Office.

Yours faithfully,

Signature (thumb impression if illiterate) of holder.

Orders of the Postmaster accepting the nomination :

Signature of Head/Sub-Postmaster

Date stamp of Post Office

G.S.R. 320.—In exercise of the powers conferred by section 15 of the Government Savings Banks Act, 1873 (5 of 1873) and of all other powers hereunto enabling, the Central Government hereby makes the following rules further to amend the Post Office Savings Banks Rules, 1965, namely:—

1. (1) These rules may be called the Post Office Savings Banks (Amendment) Rules, 1970.

(2) They shall come into force on the 1st April, 1970.

2. In the Post Office Savings Banks Rules, 1965 (hereinafter referred to as the said rules), in rule 2, after clause (b), the following clause shall be inserted, namely:—

“(bb) ‘blocked deposit’ means that part of the balance in an account referred to in rule 3A which, at the request of the depositor, has been blocked for the period specified therein and is not available to the depositor for withdrawal during that period.”

3. After rule 3 of the said rules, the following new rule shall be inserted, namely:—

“3A. *Blocked deposit.*—(1) In the case of a single account, joint account or provident fund account the depositor, or depositors, as the case may be, may, at his/their option, make an application in the prescribed form to the Postmaster of the Post Office at which the account stands, requesting that a specified amount (being a multiple of Rs. 100) out of the balance in that account be held as blocked deposit for a period of two years or three years, as the case may be.

(2) The period of the blocked deposit shall be reckoned from the first day of the month if the application had been made on or before the sixth day of that month and if the application had been made thereafter, the period shall be reckoned from the first day of the month following.”

4. In rule 6 of the said rules, for sub-rule (2), the following sub-rule shall be substituted, namely:—

“(2) No withdrawal shall be permitted which, after excluding the amount if any, held in a blocked deposit, has the effect of reducing the balance to less than Rs. 5.”

5. Rule 9 of the said rules, shall be re-numbered as sub-rule (1) of that rule and after sub-rule (1) as so re-numbered, the following sub-rule shall be inserted, namely:—

(2) Interest at the rate notified under this sub-rule by the Government in the Official Gazette from time to time, which shall be higher than that notified under sub-rule (1), shall be allowed—

(a) on a blocked deposit, and

(b) on the minimum balance held throughout the year in a single account, joint account or provident fund account after excluding the amount, if any, held in a blocked deposit provided that such minimum balance is not less than hundred rupees

and such interest shall be credited to the depositor's account.

G.S.R. 321.—In pursuance of sub-rule (2) of rule 9 of the Post Office Savings Banks Rules, 1965, the Central Government hereby notifies that, with effect from the 1st April, 1970, and until further orders, interest on a blocked deposit, a single account, joint account and provident fund account referred to in the said sub-rule shall be allowed at the rates specified in the Table below:—

TABLE

(1)	(2)	(3)
1. For every Rs. 100 in a blocked deposit for a period of 2 years.	4½ per cent approximately per annum (compound).	Amount payable at the end of 2 years—Rs. 109.
2. For every Rs. 100 in a blocked deposit for a period of 3 years.	4½ per cent approximately per annum (compound).	Amount payable at the end of 3 years—Rs. 114.
3. Minimum balance held throughout the financial year in a single account, joint account or provident fund account, after excluding the amount, if any, held in a blocked deposit, provided such minimum balance is not less than Rs. 100/-.	4 per cent per annum.	..

[No.F.3(11)-NS/70.]

A. R. SHIRALI, Jr. Secy.